first. After that, take the Minister's statement and clarifications—whether it will be laid on the Table or not, that you decide—but the Legislative Business should be cleared so that tomorrow after the Finance Minister's reply to the Budget —he will take at least one or one-and-a-half hours—thereafter, whatever time will be left should be devoted for U.P.

THE DEPUTY CHAIRMAN: We also have to clear a lot of Ordinances.

SHRI PRANAB MUKHERJEE: This is also an Ordinance.

THE DEPUTY CHAIRMAN: This is an Ordinance, and there are some other Ordinances also. We have to clear an item of Legislative Business which is connected with the Ministry of Environment. We have a total of seven Ordinances, out of which only one we have cleared today. So, six Ordinances, one item of Legislative business, U.P. and some other discussions are there.

SHRI PRANAB MUKHERJEE: And we are having only two days.

THE DEPUTY CHAIRMAN: I don't know how we are going to finish it. You want to have a discussion on it. I have only two names of Shri Md. Salim and Shri John F. Fernandes on the Port Laws (Amendment) Bill, 1997. Shri Md. Salim is not here. Shri Satish Agarwal's name is also there. अग्रवाल जी आप आपोज कर रहे हैं? क्यों कर रहे हैं।

SHRI JOHN. F. FERNANDES: Madam, I want to speak on the Bill. I will just raise some queries.

THE DEPUTY CHAIRMAN: He is opposing and let him withdraw his opposition to it. I am requesting Mr. Agarwal to withdraw his opposition.

SHRI SATISH AGARWAL (Rajasthan): Without moving the motion?

THE DEPUTY CHAIRMAN: No, you can move the motion.

SHRI SATISH AGARWAL: After all, I have to move the Motion.

THE DEPUTY CHAIRMAN: You move the motion and withdraw it.

STATUTORY RESOLUTION SEEKING DISAPPROVAL OF THE PORT LAWS (AMENDMENT) ORDINANCE, 1997 AND THE PORT LAWS (AMENDMENT) BILL, 1997

SHRI SATISH AGARWAL (Rajasthan): Madam, I will raise only one query and let the Minister reply to that; then I will withdraw my resolution. Madam Deputy-Chairperson, I move:

> That this House disapproves of the Port Laws (Amendment) Ordinance, 1997 (No. 1 of 1997) promulgated by the President on the 9th January, 1997.

Madam, I have a lot of material to speak on this, but I won't go by that because all the Members wished me not to do so. I would like to know from the hon. Minister only one thing. Clause 31(2) of the Bill states:

> "Notwithstanding such repel, anything done by any action taken under the Indian Ports Act, 1908 and the Major Port Trusts Act, 1963 as amended by the said Ordinance, shall be deemed to have been done or taken under the corresponding provisions of those Acts, as amended by this Act."

Madam, this ordinance was promulgated on 9th January, 1997. A Cabinet decision was taken on 10th of October, 1996 in this behalf. Why did you not bring a piece of legislation in the Winter Session of Parliament? That is number one. Number two, even condoning that, what have you done or have you set up an independent tariff authority for which this Ordinance was issued on 9th of January by exercising the extraordinary powers of the hon. President under article 123? If you were so keen to implement the decision of the Cabinet dated 10th October, 1996 so as to promulgate

an Ordinance, so as to force the President to promulgate an Ordinance on 9th of January, then what have you done in practically the last two months which have passed? What have you done during these two months? Have you set up that particular authority for which this Ordinance was promulgated and which action are you going to seek for repeal and saving under clause 31? If you are able to satisfy the House that you have taken some action, you have established the authority, you have taken certain measures, as required under the Ordinance, then I will withdraw my resolution. thank you very much.

THE MINISTER OF SURFACE TRANSPORT (SHRI T.G. VENKATRAMAN): Madam, I beg to move:

That the Bill further to amend the Indian Ports Act, 1908 and the Major Port Trust Act, 1963, be taken into consideration.

The questions were proposed.

SHRI JOHN F. FERNANDES (Goa): In fact, Madam, I want a debate but there are not many speakers. My main objection is that the Government promulgated Ordinances under article 123 of the Constitution. Madam, the Parliament has adopted the system of Standing Committees for the last three or four years and any bill which comes before the Parliament is referred to the concerned Standing Committee. The Standing Committees scrutinises those Bills which are before the Parliament. Now, this is a very good Bill. I do not oppose this Bill because it seeks to regulate the private and Government activities in the ports. All this time these activities were within the domain of the Government. When we do this thing, I think, we have to have a level playing field for Government agencies and private sector. Madam, I was also a Member of the Standing Committee which went to all the ports and talked to all concerned. Here the Government is bringing the Bill. It is usurping the powers of Parliament by just pushing down this bill on the Parliament through an Ordinance. Madam, I do not know where we are leading our democracy to. We adopted this system of democracy so that we could go to the grassroot level to talk to the people, to talk to the business community, etc. I do not know whether the Government has provided a level playing field for private sector and public sector. Unless we talk to the people who are concerned, that is, private entrepreneurs, I do not know how we can debate this Bill. I would like to know, as rightly pointed out by Shri Satish Agarwalji, as to what the Government has been doing since the 9th of January. Have they installed any Tariff Authority or any Regulatory Authority? I do not know what procedure this Government is following. I do not think we are opposing this Government. We know that this is a minority Government. We have supported all the acts and this has been done in good faith. Madam, here we have some doubts. I think the intention of the Government is *mala fide*. It is not a good thing. I think it is high time that the Parliament amended the rules of the Standing Committees and saw to it that a bill which is brought before the Parliament through an Ordinance is referred to the Standing Committee. Otherwise, the powers of the Parliament can be taken by the Government for granted. this is what I have to say.

THE DEPUTY CHAIRMAN: In fact, Mr. Minister, we have saved a lot of time. But, two or three serious questions have been put which you will have to answer. The first and the foremost question is: What was the urgency to have an Ordinance? Was it something urgent which could not wait for two months or it could not be brought in the last Winter Session? You will have to answer these questions. Secondly: What has been done during these two months? What have you done after the Ordinance to justify your urgency? I think when the previous Government was there—and I am a witness to it—those who are sitting on my right

now when they were sitting on my left, including you opposed every ordinance which the Government brought at that time and said, "We should not bypass the parliamentary system and by Ordinances we are taking away the powers of the Parliament." This is not correct until and unless it is inevitable. So, you will have to justify that. How something which was wrong then, can be right now. During this Session, we have got 14 Ordinances. It has never happened at any time or in my experience. So, these two or three things are there.....*(Interruptions)*.....

SHRI JOHN F. FERNANDES: We should amend the rules of the Standing Committees so that even the Ordinances can be referred to the Standing Committees .....*(Interruptions)*.....

SHRI SOM PAL (Uttar Pradesh): Madam, there is no such thing in the rules of the Standing Committees that every Bill shall be referred to a Standing Committee. I would like to put the record straight .....*(Interruptions)*.....

SHRI JOHN F. FERNANDES: Madam, it is already an Act. .....*(Interruptions)*.....

SHRI SOM PAL: Even then .....*(Interruptions)*..... Only some Bills are referred which the Chairman or the Speaker .....*(Interruptions)*.....

SHRI JOHN F. FERNANDES: When we are going to pass this bill, how will we be able to refer this to the Standing Committee?

SHRI SOM PAL: The question of desirability may be there, but it is not essential.

THE DEPUTY CHAIRMAN: It is not necessary, or, it is not sort of, compulsory to send every Bill to the Standing Committee, but understanding your point, Mr. Som Pal, it is quite possible that this particular bill or any other bill could have been referred by the Speaker or the Chairman to the Standing Committee. That right has been withdrawn. This is the point. It is possible that out of these 14 bills in regard to which Ordinances were promulgated, some bill could have been referred. This right of the Chairman or the Speaker has been withdrawn by the Government. This is the point Mr. Fernandes is making.

SHRI JONH F. FERNANDES: Madam, this is an important Bill

THE DEPUTY CHAIRMAN: Any of these bills could have been referred.

SHRI JOHN F. FERNANDES: This is an important bill where we have to talk to the private sector to know their problems before we pass it here.

DR. BIPLAB DASGUPTA (West Bengal): Madam, just one or two points. The person who is supposed to speak on this is not here. I am standing by for him. I have not studied the bill. But from what I have seen, I find that the basic purpose of this bill is to set up a tariff authority so that tariff structure in the ports could be standardised. From that point of view, there cannot be anything objectionable about it. But my problem is, I have not studied this bill thoroughly. Maybe, it was my mistake. Perhaps, it was our mistake. We should have been ready for the discussion.

THE DEPUTY CHAIRMAN: Never mind.

DR. BIPLAB DASGUPTA: It was our mistake. Anyway, we are really not ready to respond to many of the points that have been raised.

Now, I agree with the point that has been made. There should not be any rule by ordinance. We had been saying the same thing when we were on the other side. We want to be consistent. Whenever the Government resorted to the practice of issuing Ordinances, we had been opposing it. The same thing applies here also although we are on the wrong side.....*(Interruptions)*.....

THE DEPUTY CHAIRMAN: It is part of the record.

DR. BIPLAB DASGUPTA: Wrong side of the House. *(Interruptions)* By nature, we are on that side. In any case, as I said, we are opposed to rule by Ordinance. This should not become a habit with the Government. this should not become a practice with the Government. this is one thing.

Secondly, although it is true that there is no rule that each and every bill has to go to the Standing Committee, I feel that this bill being of a technical nature, should have been referred. Members may not be knowledgeable on such technical issues. Therefore, it should have been referred to the Standing Committee so that they could have called people who know about the subject. For example, dock workers and port trust managements; the people who have been working in this area. They could have been called to give evidence. We are now denied the benefit of their views. We cannot have that consultation. It is unfortunate.

Anyway, Madam, if you want this to be taken up now, we can take it up, though I would have liked the discussion to take place tomorrow. I would have liked the decision to be taken tomorrow. But if you want it to be taken up today let it be taken up.

SHRI R.K. KUMAR (Tamil Nadu): Madam, this kind of a thing was done earlier also. This is not the first Ordinance. From the same Ministry, we had the National Highways (Amendment) Ordinance. The same thing happned. The same kind of objection was raised by us. The reply of the hon. Minister was: 'In good faith I brought this forward and I tried to do something, but nothing happened.' That was the reply.

SHRI GURUDAS DAS GUPTA (West Bengal): Madam, I join with the rest of my colleagues.....

THE MINISTER OF SURFACE TRANSPORT (SHRI T.G. VENKATRAMAN): Madam, I would like to respond to the points raised.

SHRI PRANAB MUKHERJEE (West Bengal): Let him finish. Then the Minister can reply.

THE DEPUTY CHAIRMAN: Mr. Minister, you can reply after this.

SHRI GURUDAS DAS GUPTA: Madam, I join with my colleagues, whether they are on this side or that side. It is not a question as to where we are sitting. It is not a question as to whether we are in the Opposition, or, we are supporting the Government. The position is quite clear. The question is whether we are supporting the system which has been built up over the years. From that point of view, any attempt made by any Government to violate the system would be wrong.

The point I want to raise here is: the Cabinet had made the decision in October. The Ordinance was promulgated in January. If there was an urgency, why was this long delay between the Cabinet decision and the promulgation of the Ordinance? This only indicates the attitude. My friend, Mr. Venkatraman, would kindly understand. It is not Mr. Venkatraman who is to be blamed. It is the administration which he is heading that is to be blamed. Administration is eternal. Ministers come and go. Therefore, he should bear with the criticism that his friends are making. This is only intended to make him go in for certain corrective action so that this new Government, the Government of experiement, can break new grounds. Otherwise, if you are going to go the same way in which other people had been going, what is the new thing that you are going to offer to the people of this country?

Therefore, Madam, I say, with all sense of humility, that it should not have been done. In future, Government should come before the House. Government should take Parliament into confidence. Government should take public opinion into consideration and then come forward with any legislation. Otherwise, the next course is to come up with an amendment

to the Bill. We are in the habit of making amendments to the different laws, as well as to the Constitution. That should be given the go-by.

Madam, while saying so, I am suggesting that while making a clear level-playing ground, this Bill should ensure that no displacement of labour takes place in ports or trusts. You are widening the opportunity for private participation, all right. But, while allowing private participation, there should be no displacement of labour and there should be no discrimination against labour. This is an important thing because trade unions belong to each one of us. No displacement of labour should take place, and no discrimination should take place. If that is done, that will be a great hindrance for a level-playing ground.

THE DEPUTY CHAIRMAN: The other important thing is that all the Legislative Business comes and it is passed in a hurry at the fag end of the day. Every legislation we pass in this Parliament is going to affect millions of people in this country in the times to come. We waste the time. I would use the word "waste". We waste the time of the House on non-issues. The prime time of the House is taken away on issues which could be discussed at the fag end because we do not even get answers for them. It is just to get publicity. I am sorry to say this, but this is the fact.

SHRI PRANAB MUKHERJEE: You cannot blame the Minister for that.

THE DEPUTY CHAIRMAN: I am not telling the Minister. This is for all of you. The Minister was also a Member of the House.

SHRI GURUDAS DAS GUPTA: No proper management of Parliamentary affairs is done. This is also one of the factors.

THE DEPUTY CHAIRMAN: No, no. I say, we should spend more time on the legislative business and in discussing ....*(Interruptions)*....

It is not Parliamentary affairs. All of you ask time for making Zero Hour Mentions and Special mentions which never even get a reply from the Government, while your stamp to a Bill is going to affect millions of people in this country. So, you think about your own responsibility and where it lies. I am only trying to put it to you. It is entirely up to the House.

AN. HON. MEMBER: The Ministers should reply to us within fifteen days.

THE DEPUTY CHAIRMAN: They don't reply. Nobody replies. Nobody is expected to get a reply to Zero Hour Mentions.

Mr. Minister, may I now ask you to reply to the queries?

SHRI T.G. VENKATRAMAN: Madam, right from the date of assuming office, I am in the dock. Last time also when I moved a Bill, my learned friend, Mr. Kumar, referred to this. When the Bill was about to be passed, a senior Member pointed out, "Mr. Venkatraman is in the dock." I am always in the dock. I was moving the Dock Workers Bill. I have got some reasons to say this. I think it will satisfy the Members.

Before that, I want to put some facts before you. On a conciliatory estimate of cumulative growth of 9 per cent per annum in terms of tariff, our ports would need to be capable of handling a traffic of 850 MPS by 2012. This would call for additional 300 to 400 berths to handle the cargo of different kinds. Creation of an additional port capacity of this order at the current cost would require an investment of about Rs. 40,000 crores. The projection made by the Ministry of Surface Transport indicates that no more than Rs. 10,000 crores to Rs. 12,000 crores would be available from Plan funds and internal resources of ports for investment in port development and that the balance would have to come from the private sector capital market.

In this case, after the Cabinet took the decision and after the Ordinance was passed, we have been able to bag a private investment of Rs. 750 crores. There will be a private investment in the JMPT for having a container terminal. Rs. 750 crores foreign investment has come. That has been bagged. We have achieved that one thing after this. It is a private investment in the JMPT.

SHRI SATISH AGARWAL: Have you set up this Authority?

SHRI T.G. VENKATRAMAN: We are taking steps.

SHRI SATISH AGARWAL: We have this one query.

SHRI T.G. VENKATRAMAN: What have we achieved? We have been able to bag this. It is about Rs. 750 crores. It was only in January. We are taking steps with regard to the Authority to have members selected, and we wil be announcing it in a short time.

SHRI SATISH AGARWAL: What have you done after the 9th of January?

SHRI T.G. VENKATRAMAN: That is what I am saying. After we passed the Ordinance, ...

SHRI SATISH AGARWAL: That investment has come.

SHRI T.G. VENKATRAMAN: I am not justifying the Ordinance.

SHRI PRANAB MUKHERJEE: You have to justify the Ordinance. Otherwise, how can we support it?

SHRI T.G. VENKATRAMAN: Madam, after the Ordinance was issued we have already got Rs. 750 crores. We will be having further investment for our second container service. With regard to the office bearers also, we are taking steps and are in the process of finalising the names of three members. Soon we will be able to announce their names.

SHRI SATISH AGARWAL: You have not yet set up the authority. Nor have you appointed the Chairman.

SHRI T.G. VENKATRAMAN: I have already said that we are taking steps in this direction.

SHRI PRANAB MUKHERJEE: Madam, as the hon. Minister has said that he has got a firm commitment of Rs. 750 crores investment and he is going to appoint the authority soon, I think for these achievements we should pass the Bill.

SHRI SATISH AGARWAL: I fully agree with you.

THE DEPUTY CHAIRMAN: Mr. Agarwal, are you going to withdraw the Resoulution?

SHRI SATISH AGARWAL: Madam, I oppose the mentality to govern this country through ordinances. That was my objection. But, in view of the appeal by Mr. Pranab Mukherjee that, after all, we have got Rs. 750 crores for the development of our port, which is in a very pitiable condition—in fact, the whole infrastructure is in a pitiable condition—I seek the permission of the House to withdraw my Resolution.

The Resolution was, by leave, withdrawn

THE DEPUTY CHAIRMAN: Mr. Minister, we are passing this Bill, because a lot of Members have got a soft corner for you. Even I am not satisfied with it personally.

SHRI T.G. VENKATRAMAN: Madam, I was one amongst them for 43 years. The Chair as well as the Members know this.

THE DEPUTY CHAIRMAN: That is the reason why we have a soft corner for you and we are allowing you to get away with this Bill. We don't want to put you in dock.

The question is:

> That the Bill further to amend the Indian Ports Act, 1908 and the Major Port Trust Act, 1963, be taken into consideration.

The question was put and the motion was adopted.

THE DEPUTY CHAIRMAN: We shall now take up clause-by-clause consideration of the Bill.

Clauses 2 to 31 were added to the Bill.

Clause 1, the Enacting Formula and the Title were added to the Bill.

SHRI T.G. VENKATRAMAN: Madam, I move:

That the Bill be passed.

The question was put and the motion was adopted.

STATEMENT BY MINISTER

New Exploration Licensing Policy (NELP)

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI T.R. BAALU): Madam Deputy Chairman,

I have great pleasure in informing the Hon'ble Members of this august House that the Govt. has recently approved a New Exploration Licensing Policy for Petroleum operations.

As the Hon'ble Members are aware we are heavily dependent on imports to meet the rapdily growing demand for petroleum products—the current level of self-sufficiency being less than 50%. At the current levels of projection of demand and supply, the level of self-sufficiency is likely to decline even further to about 35% over the next five years. It will be readily appreciated that substantial efforts are necessary to boost the level of exploration activity in the country so that new finds can be made and the production of crude oil and gas significantly increased in the years to come.

India today remains one of the least explored regions with well density per thousand sq. kms. being among the lowest in the world. Of the 26 sedimentary basins, only 6 have been explored. It is thus evident that vast amounts of capital investments are necessary if exploration efforts are to be substantially augmented and therefore apart from boosting the efforts of the National Oil Companies, greater incentive will have to be given to the private sector to invest in this critical area.

With these broad objectives in mind, the Govt. has approved a New Exploration Licencing Policy which has the following salient features:—

(1) The upstream Public Sector companies namely ONGC and OIL are to be provided a level playing field by giving them the same fiscal and contract terms as are available to private companies. This will, inter-alia, imply that oil companies including ONGC and OIL will be paid international prices of oil for discoveries made in the blocks offered under the new policy. they will, however, also have to compete with the private sector for obtaining petroleum exploration licences instead of getting them on a nomination basis at present.

(2) Exploration blocks under the new policy will be allotted on the basis of an open acreage system which means that companies can apply for exploration blocks at any time and not necessarily be restricted to bidding rounds.

(3) A new comprehensive fiscal package has been proposed to provide adeqate incentive for attracting investment capital in this critical area. Some elements of this package have already been announced by the Finance Minister in his Budget Speech. This package includes:—

(a) Royalty payments at the rate of 12.5% for the onland areas and 10% for offshore areas.

(b) Half of the royalty from the offshore area will be credited to a Hydrocarbon Development Fund to promote and fund exploration related activities such as acquisition of geological data on poorly unexplored basins, promotion of investment opportunities in